

NORTH SHELBY WATER COMPANY

P. S. C. Ky. No. 2
Cancels P. S. C. Ky. No. 1

NORTH SHELBY WATER COMPANY

OF

Bagdad, Shelby County, Kentucky

Rules, Regulations, and Special Service Charges for Furnishing

WATER SERVICE

TO

That area of Shelby County which is more
than one mile north of U. S. Highway #60, together with
portions of southern Henry County and western Franklin County
(except territory of Henry County Water District No. 2)

Filed with PUBLIC SERVICE COMMISSION

OF KENTUCKY

Date of Issue June 16, 1988

Date Effective May 16, 1988

Issued by NORTH SHELBY WATER COMPANY

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

By:

Duncan R. Craft
President

MAY 16 1988

PURSUANT TO 2007 KAR 5.011,
SECTION 9(1)

By: George H. Lee
PUBLIC SERVICE COMMISSION MANAGER

For Entire Service Area
Community, Town or City

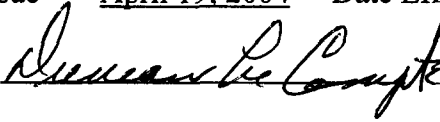
North Shelby Water Company
P.O. Box 97
Bagdad, KY 40003

P.S.C. KY No. 2004-00169
(Sheet No.)

Canceling P.S.C. KY No. 2001-101
(Sheet No.)

CLASSIFICATION OF SERVICE	RATE PER UNIT
Rates: <u>5/8 x 3/4 Inch Meter</u>	
First 2,000 gallons per month (minimum bill)	\$11.34
Next 3,000 gallons per month per 1,000 gallons	4.55
Next 5,000 gallons per month per 1,000 gallons	3.43
Next 40,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31
 <u>1 Inch Meter</u>	
First 5,000 gallons per month (minimum bill)	\$24.99
Next 5,000 gallons per month per 1,000 gallons	3.43
Next 40,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31
 <u>1-1/2 Inch Meter</u>	
First 10,000 gallons per month (minimum bill)	\$42.14
Next 40,000 gallons per month per 1,000 gallons	2.87
Over 50,000 Gallons per month per 1,000 gallons	2.31
 <u>2 Inch Meter</u>	
First 15,000 gallons per month (minimum bill)	\$56.49
Next 35,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31
 <u>3 Inch Meter</u>	
First 35,000 gallons per month (minimum bill)	\$113.89
Next 15,000 gallons per month per 1,000 gallons	2.87
Over 50,000 gallons per month per 1,000 gallons	2.31

Date of Issue April 19, 2004 Date Effective June 1, 2004

Issued by  Title: President

Issued by the authority of an Order of the Public Service Commission of
Kentucky in Case No. 2004-00169 Dated August 24, 2004

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/1/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)**

By 
Executive Director

EXHIBIT G

North Shelby Water Company

P.S.C. Ky. No. 2
First Amended Sheet No. 1-a

Cancelling P.S.C. Ky. No. 2
Original Sheet No. 1

RULES AND REGULATIONS

I. SERVICE REQUIREMENTS.

A. Membership. Any person or other entity holding property having reasonable accessibility to the source of and who is in need of having water supplied to his place of occupancy or property may apply for membership in North Shelby Water Company ("Company"). Persons or entities who receive the approval of the board of directors may be admitted to membership ("Member") upon subscribing for a membership certificate, paying the required sum, and by signing such documents, including the contract for water service, as may be provided and required by the Company, provided that no person or entity otherwise eligible shall be permitted to subscribe for or require a membership of the Company if the capacity of the Company's water system, either in general or as to a particular area or line, is exhausted by the needs of its existing Members.

B. Tap-on Fees. A tap-on fee of FIVE HUNDRED (\$500.00) DOLLARS shall be made for each new meter installation where a 5/8 by 3/4 inch meter is used regardless of location. A tap-on fee of SIX HUNDRED (\$600.00) DOLLARS shall be made for each new meter installation where a one inch meter is used regardless of location. The tap-on fee for meters exceeding one inch shall be the actual cost incurred by the Company in purchasing and installing that particular new meter.

C. Membership Fee and Deposit. A membership fee of \$16.00 shall be required of any member before water service is supplied. The Company will require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service re-connection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Re-connection. Service will be refused or discontinued for failure to pay the requested deposit. Interest, as required by KRS 273.392, will be paid annually on the deposit, either by refund or credit to the customer's bill, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

The Company may at its discretion waive a customer's deposit upon a showing of satisfactory credit or payment history. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The

DATE OF ISSUE February 2, 1994

DATE EFFECTIVE March 15, 1994

ISSUED BY

Duncan LeCompte
Duncan LeCompte

TITLE: President

NOV 15 1994

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

North Shelby Water Company

RULES AND REGULATIONS

Company may require a deposit in addition to the initial deposit if the customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

1. Previous payment history with the Company. If the customer has no previous history with the Company, statements from other utilities, banks, etc. may be presented by the customer as evidence of good credit.
2. Whether the customer has an established income or line of credit.
3. Length of time the customer has resided or been located in the area.
4. Whether the customer owns property in the area.
5. Whether the customer is a governmental entity.
6. Whether the customer has filed bankruptcy proceedings within the last seven years.
7. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 18 months, the deposit will at the customer's request be recalculated based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

Calculated Deposits. All customers' deposits shall be based upon actual usage of the customer at the same or similar premises for the

PUBLIC SERVICE COMMISSION
OF KENTUCKY

DATE OF ISSUE February 2, 1994

DATE EFFECTIVE March 15, 1994

ISSUED BY

Duncan LeCompte
Duncan LeCompte

TITLE: President

NOV 15 1994

2wtr\ns\tariff.dep [1/94]

PURSUANT TO 807 KAR 5.011,
SECTION 9(1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

North Shelby Water Company

P.S.C. Ky. No.	<u>2</u>
First Amended Sheet No.	<u>2</u>
Cancelling P.S.C. Ky. No.	<u>2</u>
Original Sheet No.	<u>2</u>

RULES AND REGULATIONS

most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. If there are no similar customers in the system, the deposit will be based on the utility's good faith best estimate of the customer's projected annual bill. The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

The Company's billing form is attached hereto as Exhibit A.

D. Turn-on Fee. A Meter Turn-on Charge of TWENTY FIVE (\$25.00) DOLLARS will be made for each meter turn-on made during regular working hours. If the Member requests that service be connected other than during regular working hours, the charge will be THIRTY TWO and 50/100ths (\$32.50) DOLLARS.

E. Nonstandard Service. Any Member shall pay the cost of any special installation necessary to meet his/her peculiar requirements for service other than standard water tap.

F. Water Line Installation. No service will be installed unless there is a main distribution line existing along the road from which service is requested. The Company will install at its expense that portion of the service line extending from the main line to and including the curb box or curb stop on the Member's property immediately adjacent to the right of way of the road along which the main line exists.

G. Easements. Each Member, together with his/her spouse and all other real estate title owners, shall grant or convey to the Company without cost, any permanent easements reasonably required by the Company for the installation and maintenance of the Company's meter and water lines, both existing and future, and for reading that meter at a point on the Member's property to be designated by the Company for each meter, with right of ingress and egress for these purposes over the Member's property, provided such meter and lines are located on real estate owned, rented or otherwise controlled by the Member and such lines (except for the line leading to the Member's meter) are adjacent and parallel to the right of way for a

PUBLIC SERVICE COMMISSION
OF KENTUCKY

DATE OF ISSUE February 2, 1994 DATE EFFECTIVE March 15, 1994

ISSUED BY

Duncan LeCompte
Duncan LeCompte

TITLE: President

NOV 15 1994

2wtr\ns\tariff.dep [1/94]

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>3</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Original Sheet No.	<u>3</u>

RULES AND REGULATIONS

public roadway. The failure or refusal to convey such easements shall constitute grounds for discontinuing service.

- H. Membership Certificate. The Company may issue to every Member a certificate showing the name of the Member, location of the initial premises occupied, date issued, and amounts of fee and deposit.
- I. No Cross Connections. Each Member acknowledges the need to avoid contamination of the Company's water system by introduction of foreign water, and therefore each Member agrees that the Member's present water supply, if any exists, will be disconnected prior to connecting to the Company's water system. The Member will not connect to any other water supply while connected to the Company's water system.
- J. Member's Service Line. The Member will install and maintain at Member's expense a service line which shall begin at the water meter and extend to the dwelling or other point of use on the Member's premises. All service lines shall be installed of material (for example copper, galvanized, or PVC pipe) rated at 200 psi or more. The size of service line beyond the point of delivery should not be less than 3/4"; however, a larger size may be needed to provide adequate service. If the Member's point of use is at a higher elevation than the point of delivery, the Member should consult with a reputable engineering firm to size the service line from the point of delivery. The Member will be responsible for all water loss occurring on the Member's side of the water meter. The Member shall also be responsible for any damage to the Company's water lines and meter which occurs while the Member or its contractor are connecting to the meter.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
JULY 16 1988
SECTION 9 (1)
BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988
 ISSUED BY Duncan LeCompte TITLE: President
 Duncan LeCompte

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>4</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Original Sheet No.	<u>4</u>

RULES AND REGULATIONS

- K. Inspection of Service Line. In the installation of a service line, the Member shall leave the trench open and pipe uncovered until it is inspected by the Company and shown to be free from any tee, branch connection, irregularity, or defect. A charge of TWENTY FIVE (\$25.00) DOLLARS shall be charged for this service, unless the Member requests that the inspection be performed after hours, in which case the charge shall be THIRTY TWO and 50/100ths (\$32.50) DOLLARS.
- L. Member's Cut-off Valve. The Member shall furnish and maintain a private cut-off valve on the Member's side of the meter.
- M. Separate Meters. A separate meter shall be installed for service to each residential or business unit. The Member will not permit anyone else to connect to the Company's water line or meter or the Member's service line without the prior written consent of the Company. Water furnished for a given residential or business unit shall be used on that unit only.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
MAY 16 1988
PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

II. DISCONTINUANCE OF SERVICE.

- A. Involuntary Termination. The Company may in accordance with 807 KAR 5:006 Section 11 refuse to connect or may remove the meter and/or discontinue service for the following reasons:
1. Violation of (1) any of its Rules and Regulations, or (2) any of the provisions of the Schedule of Rates and Charges, or (3) any of the provisions of the Contract for Water Service or other documents signed by the Member, provided the required 10 day written notice has been given.

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY [Signature] TITLE: President
Duncan LeCompte

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>5</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Original Sheet No.	<u>5</u>

RULES AND REGULATIONS

2. The Company may without notice to the Member discontinue service to the Member when a dangerous condition is found to exist or for fraudulent or illegal use of service, including the theft of water or the appearance of water theft devices on the premises of the Member.
3. For non-payment of bills provided the required 48 hour written notice is sent and termination is not effected until 20 days have elapsed from the mailing date of the original bill.
4. For refusing or neglecting to allow the Company reasonable access to the Member's premises, provided the required 15 day written notice has been given.
5. Service involuntarily terminated will be restored only after bills are paid in full and a Service Reconnection Charge of TWENTY FIVE (\$25.00) DOLLARS is paid for each meter reconnected during working hours. If reconnected after working hours, the charge shall be THIRTY TWO and 50/100ths (\$32.50) DOLLARS.

- B. Voluntary Termination By Member. Members who wish to discontinue service must give at least three (3) days written notice to the Company.

III. BILLING AND COLLECTION.

- A. Minimum Bill. Each Member will pay the Company's minimum monthly water bill as soon as the meter is installed by the Company and water is made available to the meter, regardless of whether the Member connects to the meter.

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY Duncan LeCompte TITLE: President

MAY 16 1988
 PURSUANT TO 807 KAR 5:011,
 SECTION 9 (1)
 BY: *[Signature]*
 PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>6</u>
North Shelby Water Company	Cancelling P.S.C. Ky. No.	<u>1</u>
	Original Sheet No.	<u>6</u>

RULES AND REGULATIONS

- B. All Bills. Bills will be rendered monthly. Bills are due when rendered. If not paid within ten (10) days of the date they are mailed by the Company, a penalty equal to ten percent (10%) of the bill will be applied and a 10-day notice of intended disconnection may be mailed. If a bill remains unpaid twenty (20) days after it is mailed, and the Member has been given the minimum 48-hour written notice required by 807 KAR 5:006 Section (3)(a), the service will be discontinued. Should the final date for payment of the bill fall on a Sunday or holiday the business day next following the final date will be held as a day of grace for delivery of payment. Failure to receive bills or notices shall not prevent such bills from becoming delinquent nor relieve the Member from payment.
- C. Responsible Person. The person or entity in whose name the membership certificate is prepared shall be responsible for payment of all bills incurred in connection with the service rendered.
- D. Bad Check Fee. A FIFTEEN (\$15.00) DOLLAR service charge will be imposed for all bad checks.
- E. Tax Surcharge. In addition to the collection of regular rates, the Company may collect from each Member a proportionate share of any privilege, sales use or other tax or fee which may be imposed.
- F. Meter Reading. Meters will generally be read monthly, but the Company reserves the right to estimate bills and/or to vary the dates or length of period covered, temporarily or permanently, if necessary or desirable.
- G. Rates. Bills for water will be figured in accordance with the Company's published rate schedule and will be the larger of (1) the minimum bill or (2) the bill based on the amount consumed for the period covered by the meter readings.

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY

Duncan LeCompte
Duncan LeCompte

TITLE: President

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>7</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Second Revised Sheet No.	<u>7</u>

RULES AND REGULATIONS

- H. Delinquent Account Collection Charge. A charge of TWENTY FIVE (\$25.00) DOLLARS shall be made for a trip to collect a delinquent account in order to avoid disconnection of service. A charge of THIRTY TWO and 50/100ths (\$32.50) DOLLARS will be made for such a trip when requested by the Member to be made after hours.

IV. CHARGES FOR SPECIAL MISCELLANEOUS SERVICES.

- A. Meter Reading Recheck Charge. A charge of TWENTY FIVE (\$25.00) DOLLARS shall be made for a trip to recheck a meter reading when the Member requests that an earlier meter reading be rechecked and such recheck shows the original reading was correct. The charge shall be THIRTY TWO and 50/100ths (\$32.50) DOLLARS if the Member requests that the reading be rechecked after hours.
- B. Meter Test Request. Upon request a Member may have his meter tested and adjustments will be made to the bill where the meter is found to be more than two (2) percent fast or slow in accordance with 807:KAR 5:006, Section 9. This test will be without charge provided the request by the Member is not more frequent than once each twelve months. If such test shows the meter to be less than two (2) percent fast, a TWENTY-FIVE (\$25.00) DOLLARS charge shall be made. The charge shall be THIRTY TWO and 50/100ths (\$32.50) DOLLARS if the Member requests that the meter be tested after hours.
- C. PSC Meter Test Complaint. Any Member of the Company may request a meter test by written application to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602.
- D. Service Investigation Charge. A charge of TWENTY FIVE (\$25.00) DOLLARS per trip shall be made for each service investigation during regular working hours.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
MAY 16 1988
PURSUANT TO 807:KAR 5:011,
SECTION 9.40
BY: George H. Hille
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY Duncan LeCompte TITLE: President
Duncan LeCompte

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>8</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Third Revised Sheet No.	<u>8</u>

RULES AND REGULATIONS

if interruption of service is not caused by failure of the Company's facilities. The charge for such investigation after working hours will be THIRTY TWO and 50/100ths (\$32.50) DOLLARS per trip.

- E. Meter Investigation Charge. When an investigation of facilities on a Member's premises reveals meter seals broken, damaged meters, or unauthorized use of water, a meter investigation fee of TWENTY-FIVE (\$25.00) DOLLARS shall be charged, or THIRTY TWO and 50/100ths (\$32.50) DOLLARS after hours, both in addition to the actual cost of repair and water used.
- F. After Hours Special Services Discouraged. The Company discourages its Members from requesting that special services be performed after the Company's regular business hours due to the higher cost to the Member.

V. MEMBER'S MISCELLANEOUS OBLIGATIONS.

- A. Right of Access. The Company's duly authorized representative and any duly authorized employee of the State Health Department bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling, and testing.
- B. Damage to Company's Water System. No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of the Company's water works. Any person violating this provision shall be subject to immediate arrest and discontinuation of water service and shall pay the cost of repairing or replacing the pipe or appurtenance.

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY Duncan LeCompte TITLE: President

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>9</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Second Revised Sheet No.	<u>9</u>

RULES AND REGULATIONS

- C. Notice of Trouble. Member shall notify the Company immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble, or accidents affecting the supply of water. Such notices, if verbal, should be confirmed in writing.
- D. Protect Company Property. The Member shall guarantee proper protection for the Company's property placed on the Member's premises and shall permit access to it only by authorized representatives of the Company.
- E. Loss or Damage. In the event that any loss or damage to the property of the Company or any accident or injury to persons or property is caused by or results from the negligence or wrongful act of the Member, his agent, or employees, the cost of the necessary repairs or replacements shall be paid by the Member to the Company and any liability otherwise resulting shall be assumed by the Member. Any maintenance and repair of facilities beyond the Company's delivery point (ie. meter) is the responsibility of the Member.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
MAY 16 1988
PURSUANT TO KRS 150.011,
SECTION 9(1)

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

VI. COMPANY'S OBLIGATIONS.

- A. Installation and Maintenance of Water Lines. The Company will install, maintain and operate at the Company's cost a main pipeline or lines from the source of water supply to a point on the property of each Member, designated as the delivery point, where a meter to be purchased, installed, owned and maintained by the Company, shall be placed. The Company will also purchase and install a cut-off valve in each service line from its main distribution line or lines, such cut-off valve to be owned and maintained by the Company and to be installed on some portion of the service line owned by the Company. The Company shall have the sole and exclusive right to the use of such cut-off valve.

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY Duncan LeCompte TITLE: President
Duncan LeCompte

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>10</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	First Amended Sheet No.	<u>10</u>

- B. Company's Liability. The Company shall not be liable for damage of any kind whatsoever resulting from water or the use of water on the Member's premises, unless such damage results directly from negligence on the part of the Company. The Company shall not be responsible for any damage done by or resulting from any defects in piping, fixtures, or appliances on the Member's premises. The Company shall not be responsible for negligence of third persons, or forces beyond the control of the Company resulting in any interruption of service.
- C. Interruption of Service. The Company will use reasonable diligence in supplying water service, but shall not be liable for breach of contract in the event of, or for loss, injury, or damage to persons or property resulting from interruptions in service, excessive or inadequate water pressure, or otherwise unsatisfactory service, whether or not caused by negligence.
- D. No Fire Protection Service. The Company provides only domestic water service to rural residences and businesses. The Company does not provide fire protection to its Members or to others. Fire protection must be provided on site by the Member using means other than the Company's distribution system.
- E. Fire Hydrants. The fire hydrants installed on the distribution lines of this Company are for the sole purpose of flushing the lines, or other uses by the Company necessary for proper maintenance of the lines. The Company is not responsible for, nor does it guarantee, any minimum pressure or flow at these hydrants, other than the minimum required by the Public Service Commission for distribution lines. If these fire hydrants are used by fire protection units in the performance of their duty, any damage to distribution lines, resulting from excessive pumping pressure will be the liability of that unit.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
MAY 16 1988
PURSUANT TO ORDER 5004
DUNCAN LE COMPTE
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE June 16, 1988 DATE EFFECTIVE May 16, 1988

ISSUED BY Duncan LeCompte TITLE: President
Duncan LeCompte

	P.S.C. Ky. No.	<u>2</u>
	First Amended Sheet No.	<u>11</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>11</u>

RULES AND REGULATIONS

- F. Minimum Line Size. The Company shall not install any new distribution water lines or accept any existing distribution water lines less than four (4) inches in diameter. A service line leading to a Member's single meter may be a smaller diameter.
- G. Monitor Bills For Unusual Variance. The Company shall continue computer monitoring of the Member's meter readings for unusual usage variances, which monitoring process shall include a printout, prior to actual billing, of any such unusual variances. If the Member's usage is unduly high and the deviation is not otherwise explained, the Company shall test the meter in accordance with 807 KAR 5:006, Section 9.

VII. DISTRIBUTION EXTENSIONS

Any person desiring an extension to the Company's system shall request same in writing on a form approved by the Company for such extensions. Any requested extension shall be provided as follows:

The Company shall determine the total cost of the proposed water main extension (exclusive of the meter connection) and the total length of the extension. The Company shall pay that portion of the cost of the water main extension equal to 50 feet for each applicant for service (the "50' rule contribution" as required by 807 KAR 5:066 §12(1)). That part of the cost not covered by the Company's portion shall be contributed equally by those applicants desiring service on the main extension. Each applicant will also be required to pay the Company's approved "Tap-on-fee" for a meter connection to the main extension.

For a period of ten years after the original construction of the main extension each additional customer directly connected to each particular extension will be required to contribute to the cost of

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DEC 5 1988

PURSUANT TO KRS 807.001
SECTION 9.01

BY: George L. LeCompte
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE Nov. 10, 1988 DATE EFFECTIVE Dec. 5, 1988

ISSUED BY Duncan LeCompte TITLE: President

	P.S.C. Ky. No.	<u>2</u>
	First Amended Sheet No.	<u>12</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>12</u>

RULES AND REGULATIONS

that water main extension based on a recomputation of both the Company's portion of the total cost and each customer's contribution as set out above. The Company must refund to those customers that have previously contributed to the cost of each main extension itself that amount necessary to reduce their contribution to the currently calculated amount for each customer connected to that extension. All customers directly connected to each main extension for a ten year period after it is placed in service are to contribute equally to cost of construction of the water main extension itself. In addition each customer must pay the approved "Tap-on-fee" applicable at the time of their application for the meter connection. The "Tap-on-fee" is not part of the refundable cost of the extension and may be changed during the refund period. After the ten-year refund period expires, any additional customer applying for service on each main extension must be connected for the amount of the approved "Tap-on-fee" only.

All taps and connections to the extended line shall be made by Company personnel.

It is the Company's policy to use surplus Company revenues to assist, in a nondiscriminatory manner, the extension of the Company's water distribution system to areas not yet served by public water systems. When the Company's surplus revenues permit, the Company finds that there is a substantial opportunity for repayment of the Company's additional contribution to construction costs, the Company finds that the proposed extension will not otherwise be constructed, and the initial applicants unanimously agree, the Company may, under the restrictions of this rule, contribute additional construction funds (over and above the 50' rule contribution) for the purpose of reducing each initial applicant's required contribution.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
OFFICE

DEC 5 1988

PURSUANT TO KRS 5.011,

SECTION 9(1),

BY: Shane Baker When this occurs the Company shall treat itself as one
PUBLIC SERVICE COMMISSION MANAGER contribute additional construction funds in an amount

DATE OF ISSUE Nov. 10, 1988 DATE EFFECTIVE Dec. 5, 1988

ISSUED BY Duncan LeCompte TITLE: President
Duncan LeCompte

	P.S.C. Ky. No.	<u>2</u>
	First Amended Sheet No.	<u>13</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>13</u>

RULES AND REGULATIONS

equal to each applicant's required contribution times the number of the Company's contributions as an applicant(s). The Company shall also contribute the appropriate additional sums under the 50' rule. All applicants other than the Company shall execute in favor of the Company a written assignment of each applicant's future refunds under this rule. Each refund so received shall be applied by the Company toward the Company's construction contribution for the water main extension (but not including the Company's additional 50' rule contributions). Once the Company's construction contribution has been repaid in full the assignments shall expire and all future refunds shall be paid directly to all applicants other than the Company. In addition those refunds which would otherwise be paid to the Company shall then be evenly divided between all applicants other than the Company.

VIII. MISCELLANEOUS

A. Additional Rules and Regulations. These Rules and Regulations are in addition to the rules of the Kentucky Public Service Commission.

B. Revisions. These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time without notice to Members, but only after thirty (30) days notice to the Public Service Commission. Such changes, when effective, shall have the same force as the present Rules and Regulations.

PUBLIC SERVICE COMMISSION
OF KENTUCKY

DEC 5 1988

PURSUANT TO KRS 5:011

SECTION 9(1)

BY: Duncan LeCompte
PUBLIC SERVICE COMMISSION MANAGER

C. Conflict. In case of conflict between any provisions of any rate schedule and these Rules and Regulations, the rate schedule shall prevail. In case of conflict between any P.S.C. rules and regulations and these Rules and Regulations or rate schedules, the P.S.C. rules and regulations shall prevail.

DATE OF ISSUE Nov. 10, 1988 DATE EFFECTIVE Dec. 5, 1988

ISSUED BY Duncan LeCompte TITLE: President

	P.S.C. Ky. No.	<u>2</u>
	First Amended Sheet No.	<u>14</u>
<u>North Shelby Water Company</u>	Cancelling P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>14</u>

RULES AND REGULATIONS

- D. Scope. These Rules and Regulations are part of all contracts for receiving water service from the Company, and apply to all service received from the Company whether the service is based upon contract, agreement, signed application, or otherwise. A copy of these Rules and Regulations, together with a copy of the Company's Rate Schedule, shall be kept open to inspection at the office of the Company.
- E. Definitions. The word "Company" used herein applies to the North Shelby Water Company. The word "Member" used herein applies to the Members of said Company.

PUBLIC SERVICE COMMISSION
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PURSUANT TO 197 KAR 5:011,
SECTION 9.41)

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE Nov. 10, 1988 DATE EFFECTIVE Dec. 5, 1988

ISSUED BY Duncan LeCompte TITLE: President
Duncan LeCompte

FORWARD & ADDRESS CORRECTION

FIRST CLASS MAIL
U.S. POSTAGE PAID

PERMIT NO.:

ACCOUNT NO.:

NET BILL
DUE NOW

NET BILL DUE NOW

GROSS AMOUNT

ENTER
READING

RETURN STUB WITH PAYMENT

ENCLOSE THIS STUB
WHEN PAYING BY MAIL
FOR PROPER CREDIT

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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CODES: WT = WATER
SWR = SEWER
GS = GAS
FP = FIRE PROTECTION
TP = TRASH PICK-UP
BC = BAD CHECK CHARGE
SC = SERVICE CHARGE
CF = CONNECTION FEE
CR = CREDIT BALANCE
AR = PAST DUE BALANCE
TX = TAXES
EA = ESTIMATION ADJUSTMENT
EF = ESTIMATION FEES
RA = RATE ADJUSTMENT

UC (USAGE CODES):
E = ESTIMATED
M = METER CHANGE

NOV 15 1994

PURSUANT TO 807 KAR 6.011,
SECTION 9 (1)

BY: Jordan C. Noel
FOR THE PUBLIC SERVICE COMMISSION

APPROVED BY STATE BOARD OF ACCOUNTS
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EXHIBIT A

North Shelby Water Company

RULES AND REGULATIONS

Monitoring of Customer Usage

At least once annually the Company will monitor the usage of each customer according to the following procedure:

1. The customer's annual usage for the most recent 12-month period will be compared with the annual usage for the 12 months immediately preceding that period.

2. If the annual usage for the two periods are substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customers, no further review will be done.

3. If the annual usages differ by 100% or more and cannot be attributed to a readily identified common cause, the Company will compare the customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.

4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customer's service line.

5. Where the deviation is not otherwise explained, the Company will test the customer's meter to determine whether it shows an average error greater than 2% fast or slow.

6. The Company will notify the customers of the investigation, its findings, and any refunds or back-billing in accordance with 807 KAR 5:006, Sections 10(4) and (5).

In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

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DATE OF ISSUE February 2, 1994

DATE EFFECTIVE March 15, 1994

ISSUED BY Duncan LeCompte
Duncan LeCompte

TITLE: President

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

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BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

FOR ENTIRE AREA SERVED

North Shelby Water Company

P.S.C. Ky. No.

2

Original Sheet No.

16

RATE SCHEDULE--CLASSIFICATION OF SERVICE

RATE
PER UNITPURCHASED WATER ADJUSTMENT CLAUSE

Tabulation Form to be used for purchased water adjustments in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause, as adopted by the Public Service Commission.

**PUBLIC SERVICE COMMISSION
OF KENTUCKY**
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DEC 5 1988

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER
M Gal.

1. Volume of water purchased for 12-month period ended _____
(which is within 3 months of effective date of supplier's rate change) 1/ _____ M Gal.
2. Cost at new rates \$ _____
3. Cost at Base Rate \$ _____
4. Total change in cost (Item 2 minus item 3) \$ _____
5. Volume sold for same period as in Item 1 _____ M Gal.
6. PWA per M gallon sold (Item 4 divided by Item 5) _____ ¢

Note 1: Item 1 cannot, for this computation table, exceed Item 5 divided by .85.

SUPPLIERRATE

Shelbyville Municipal Water
and Sewer Commission
gallons

\$1.00 per 1,000

DATE OF ISSUE Nov. 10, 1988 DATE EFFECTIVE Dec. 5, 1988

ISSUED BY Duncan LeCompte TITLE: President
Duncan LeCompte

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 8285 Dated 12/8/81.

FOR ENTIRE AREA SERVED

North Shelby Water Company

P.S.C. Ky. No.

2

Original Sheet No.

17

RATE SCHEDULE--CLASSIFICATION OF SERVICE

RATE
PER UNIT

PURCHASED WATER ADJUSTMENT CLAUSE (Cont.)

In the event a refund is received from the supplier for amounts previously paid, the following tabulations will be made:

1. Total refund received \$ _____
2. Total amount of water estimated to be sold during 2 month period beginning with the first day of the month following receipt of the refund. _____ M. Gal.
3. Refund factor pre unit of water sold (Item 1 divided by Item 2) _____ ¢
4. The refund factor may be adjusted in the final month to more accurately reflect the amount to be refunded.

PUBLIC SERVICE COMMISSION
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PURSUANT TO KRS 5.011,
SECTION 9(1)

BY: George A. Hill
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE Nov. 10, 1988 DATE EFFECTIVE Dec. 5, 1988

ISSUED BY Duncan LeCompte TITLE: President

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 8285 Dated 12/8/81.

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North Shelby Water Company

P.S.C. Ky. No.	<u>2</u>
First Amended Sheet No.	<u>19</u>
Canceling P.S.C. Ky. No.	<u>2</u>
Original Sheet No.	<u>19</u>

RULES AND REGULATIONS

I. LINE ENLARGEMENT CHARGE.

It is the Company's policy that the infrastructure costs of developments should be paid by the developer rather than by the customers of the Company. Most of the Company's distribution lines were designed and constructed to serve larger farms with infrequently interspaced residential lots. For purposes of this rule a lot is considered a development lot if the lot is 50 acres or less.

The developer of each development on an existing distribution line shall be required to pay to the Company a Line Enlargement Charge. The Line Enlargement Charge shall be equal to the number of feet of road frontage of the development on the existing distribution line multiplied by 1/2 of the average cost of installing the Company's then minimum size distribution water main (presently 6 inches). The Line Enlargement Charge will normally be charged only for the frontage of lots of 50 acres or less. However, if a development contains lots both less than and greater than 50 acres, the Line Enlargement Charge will be charged for the frontage of the entire development if more than one-half of the frontage is occupied by lots of 50 acres or less. No charge will be made for the frontage of any tract served by an existing meter in front of that lot; however such tract will be considered under the preceding sentence for the purpose of determining whether to charge for the remaining frontage of the development.

No preliminary plat will be signed until the developer has agreed in writing to pay the required Line Enlargement Charge. No final plat will be signed until the developer has paid the required Line Enlargement Charge.

The funds from the Line Enlargement Charge shall be placed in an escrow account. These funds shall be used only for enlarging distribution lines and, under exceptional circumstances where the additional construction will be cheaper than enlarging the affected lines, for the installation of connections between water mains such as dead end lines.

DATE OF ISSUE December 20, 1999

DATE EFFECTIVE February 1, 2000

ISSUED BY

Duncan LeCompte
Duncan LeCompte

TITLE: President

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PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

North Shelby Water Company

P.S.C. Ky. No.	<u>2</u>
First Amended Sheet No.	<u>20</u>
Canceling P.S.C. Ky. No.	<u>2</u>
Original Sheet No.	<u>20</u>

RULES AND REGULATIONS

Each year the Company will prepare a prioritized list of proposed enlargement projects together with the estimated cost of each project, which shall be available for inspection at the Company's office. Each project shall be constructed by the Company in the order of priority listed as funds in the account become available. The Company shall file with the Commission, on an annual basis, the priority list for the next year, the list of projects completed during the previous year and the cost of each such project, the amount of Line Enlargement Charge revenue collected from developers during the previous year, and the balance remaining in the escrow account.

Any development or portion thereof not served by an existing distribution line shall be subject to the Company's regular distribution line extension rules, and the portion served by the new main constructed at the developer's expense shall not be subject to the Line Enlargement Charge. Any development which cannot be served by the Company's existing distribution system will be required, at the Developer's expense, immediately to enlarge and improve the distribution system to the extent necessary to serve that development, under the Company's regular distribution line extension rules, and such development shall not be subject to the Line Enlargement Charge.

This tariff provision was approved by the Public Service Commission in Case No. 95-161 as a special demonstration project. The Public Service Commission reserved its authority to review this tariff and its appropriate application at any time. Unless extended by a formal action of the Public Service Commission, this tariff will expire on December 31, 2005.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

FEB 01 2000

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

DATE OF ISSUE December 20, 1999 DATE EFFECTIVE February 1, 2000

ISSUED BY Duncan LeCompte TITLE: President

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WATER SHORTAGE RESPONSE PLAN OF
THE NORTH SHELBY WATER COMPANY

PUBLIC SERVICE
COMMISSION

Section 1. Purpose. The purpose of this Plan is to provide for the declaration of official phases of water supply shortages and the implementation of voluntary and mandatory water conservation measures throughout the North Shelby Water Company of Shelby and Franklin Counties (hereinafter the "Company") in the event a shortage is declared. Nothing in this Plan shall be construed to interfere with common law riparian or statutory water rights.

Section 2. Definitions. These terms are applicable only for this Plan unless specifically noted.

- A. "Customer" shall mean any person or entity using water for any purpose from the Company water distribution system.
- B. "Raw Water Supplies" shall mean all water potentially available to persons in the Company.
- C. "Treated Water" shall mean water that has been introduced by the Company into its water distribution system, including water offered for sale. Uses of treated water are classified as follows:

Essential Water Uses (Class 1):

The following uses of water are essential.

Domestic:

- water necessary to sustain human life and to maintain minimum standards of hygiene and sanitation.

Health Care Facilities:

- patient care and rehabilitation, including related filling and operation of swimming pools for health purposes only at an established health care facility.

Water Hauling:

- sales for domestic use where not reasonably available elsewhere.

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SECTION 9 (Y)

BY *Sharon Miller*
PUBLIC SERVICE COMMISSION MANAGER

Public Use:

- firefighting, health and public protection purposes, if specifically approved by health officials.

Socially or Economically Important Uses (Class 2):

The following uses of water are socially or economically important.

Domestic:

- personal, in-house water use including kitchen, bathroom and laundry.

Water Hauling:

- non-domestic, when other sources are not reasonably available elsewhere.

Commercial and Civic Use:

- commercial car and truck washes,
- laundromats
- restaurants, clubs and eating places
- schools, churches, motels/hotels and similar commercial establishments.

Outdoor Non-Commercial Watering (using conservation methods and when other sources of water are not available or feasible to use):

- minimal watering of vegetable gardens,
- minimal watering of trees where necessary to preserve them.

Outdoor Commercial or Public Watering (using conservation methods and when other sources of water are not available or feasible to use):

- agricultural irrigation for the production of food and fiber or the maintenance of livestock,
- watering by arboretums and public gardens of national, state, regional or community significance where necessary to preserve specimens,

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PURSUANT TO 807 KAR 5.011,

SECTION 9(1)

Glenn L. Loefer
PUBLIC SERVICE COMMISSION MANAGER

- watering by commercial nurseries at a minimum level necessary to maintain stock,
- watering of woody plants where necessary to preserve them,
- minimal watering of golf course greens.

Recreational:

- operation of public swimming pools and private pools that serve more than 25 dwelling units.

Air Conditioning

- refilling for startup at the beginning of the cooling season,
- makeup of water during the cooling season,
- refilling specifically approved by health officials where the system has been drained for health protection or repair services.

Miscellaneous

- any use not otherwise listed under Class 1 or Class 3.

Non-Essential Uses (Class 3):

The following uses of water are non-essential.

Public Use:

- use of fire hydrants (excluding Class 1 and Class 2 uses), including use of sprinkler caps, testing fire apparatus and fire department drills,
- flushing of sewers and hydrants except as needed to ensure public health and safety as approved by health officials.

Commercial and Civic Use:

- serving water in restaurants, clubs, or eating places, except by customer request,
- increasing water levels in scenic and recreational ponds and lakes, except for the minimum amount required to support fish and wildlife.

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (2)

BY: *George S. Miller*
PUBLIC SERVICE COMMISSION MANAGER

OFFICE OF THE
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OF KENTUCKY
EFFECTIVE

Ornamental purposes:

- fountains, reflecting pools and artificial waterfalls.

Outdoor Non-Commercial Watering:

- use of water for dirt control or compaction,
- watering of annual or non-woody plants, lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard-surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Outdoor Commercial or Public Watering:

- expanding nursery facilities, placing new irrigated agricultural land in production, or planting of landscaping,
- use of water for dirt control or compaction,
- watering of annual or non-woody plants, lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts and other hard-surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Recreational uses other than those specified in Class 2.

Non-commercial washing of cars, other vehicles and other outdoor property.

Air Conditioning (see also Class 2 purposes).

- refilling cooling towers after draining

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PURSUANT TO 607 KAR 5.011,
SECTION 9 (c)

Thomas S. Sells
PUBLIC SERVICE COMMISSION MANAGER

Waste of water, including but not limited to the failure to repair a controllable leak.

- D. "Base Entitlement" shall mean the monthly usage for a customer during the same month of the preceding calendar year or the average per customer usage for each class of service during the same month of the preceding year.
- E. "Curtailed Entitlement" shall mean the monthly usage permitted for a customer after the Base Entitlement has been reduced by the curtailment percentage.
- F. "Curtailment" shall mean the reduction in Base Entitlement by some percentage to meet anticipated water shortages.
- G. Water Shortage Response Phases:
 - (1) "Advisory" shall mean that conditions exist which indicate the potential for serious raw or treated water supply shortages.
 - (2) "Alert" shall mean the raw or treated water supplies are consistently below seasonal averages, and if they continue to decline, may not be adequate to meet normal needs.
 - (3) "Emergency" shall mean that raw or treated water supplies are below the level necessary to meet normal needs and that serious shortages exist in the area.
- H. "Rationing" shall mean that procedures must be established to provide for the equitable distribution of critically-limited raw or treated water supplies, in order to balance demand and limited available supplies, and to assure that sufficient water is available to preserve public health and safety.

Section 3. Applicability. The provisions of this Plan shall apply to all retail and wholesale customers of the Company. When implemented, this Plan becomes the North Shelby Water Company Water Shortage Response Regulation.

Section 4. Entitlement. Entitlement shall be established for each customer by adjusting the base entitlement to reflect any known change in usage pattern.

Section 5. Determination of Water Shortage. Whenever the Company's manager believes that a water shortage may be

JUL 30 1990

PURCHASE TO 607 KAR 5.011,

SECTION 9.02

[Signature]
COMMISSION MANAGER

imminent, water supply and usage shall be monitored on a continuous basis. Unrestricted demand shall be projected from past records and adjusted for changes such as new developments and weather conditions on a regular basis. Water shortages generally occur for two reasons, a reduction in available supplies or a system failure. Each of these has a distinct influence on the nature and duration of the conservation program implemented. Official declaration of a water shortage stage and implementation of the measures necessary to curtail water use shall be approved by the Manager of the Company, with written notification to the County Judge Executives of Shelby and Franklin Counties.

Section 6. Term of Water Shortage Declaration. Any water shortage declaration shall remain in effect until water supplies or service conditions have returned to normal. A final determination as to terminating a water shortage declaration shall be made by the Manager of the Company.

Section 7. Water Shortage Stage, Criteria, Conservation and Curtailment Measures.

A. Advisory Stage:

- (1) Criteria: A water advisory may be declared whenever the manager of the Company finds that a potential shortage of the supply of raw or treated water exists or will exist.
- (2) Conservation and Curtailment Measures:
 - (a) Declare a WATER SHORTAGE ADVISORY.
 - (b) Provide proper notice to all customers and to all local news media.
 - (c) Eliminate all water leaks.
 - (d) Request voluntary conservation of all water use.
 - (e) Request wholesale customers also issue request for voluntary conservation by their customers of all water use.

B. Alert Stage:

- (1) Criteria: A water shortage alert may be declared whenever the manager of the Company finds that a condition exists where the Company will not be able to meet the expected needs of its customers.

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(2) Conservation and Curtailment Measures:

JUL 12 1990

PUBLIC SERVICE
COMMISSION

- (a) Declare a WATER SHORTAGE ALERT.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Request voluntary conservation of all water use.
- (e) Prohibit all non-essential (Class 3) water uses.
- (f) Curtail Entitlement to all customers by the same percentage as the projected shortage.
- (g) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of \$10.00 per 1,000 gallons.

C. Emergency Stage:

- (1) Criteria: A water shortage emergency may be declared whenever the manager of the Company finds that the Company is unable to meet the expected needs of its customers and that such a condition will exist for some period of time in the future.

(2) Conservation and Curtailment Measures:

- (a) Declare a WATER SHORTAGE EMERGENCY.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Prohibit all non-essential (Class 3) water uses.
- (e) Prohibit all Class 2 uses of water except Domestic uses for kitchens, bathrooms and laundries, and water necessary to sustain livestock life.
- (f) Curtailed Entitlement to all customers by the same percentages as the projected shortage.

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JUL 30 1990

PURSUANT TO 607 KAR 5.011,
SECTION 9 (1)

John L. Loe

- (g) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of \$25.00 per 1,000 gallons.

D. Rationing Stage:

- (1) Criteria: Water shortage rationing may be declared whenever the manager of the Company finds that the Company is unable to meet the expected needs of its customers and that such a condition will exist for some period of time in the future, and upon approval by the commissioners of the Company that mandatory rationing is required to insure adequate water is available to maintain public health and safety.
- (2) Conservation and Curtailment Measures:
 - (a) Declare WATER SHORTAGE RATIONING.
 - (b) Provide proper notice to all customers and to all local news media.
 - (c) Eliminate all water leaks.
 - (d) Prohibit all Class 3 and Class 2 uses of water.
 - (e) Curtailed Entitlement to all customers by the same percentage as the projected shortage.
 - (f) Implement service interruptions to portions of system in accordance with approved published schedule. The schedule shall be provided to all local media.
 - (g) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of \$50.00 per 1,000 gallons.

Section 8. Enforcement of Water Restriction. Any person who violates the provisions of this Plan, who fails to carry out the duties and responsibilities imposed by this Plan, or who impedes or interferes with any action undertaken or ordered pursuant to this Plan shall be subject to the following:

- (a) If the utility official charged with implementation and enforcement of this Plan learns of any violation of any water-use restriction imposed, including but not limited to ~~any~~ ^{including} a

Curtailed Entitlement, a written notice of the violation shall be affixed to the property where the violation occurred and mailed to the customer of record. Said notice shall describe the violation and order that it be corrected, cured, or abated immediately or within 48 hours.

- (b) The notice will inform the customer of his or her right to appeal by requesting a hearing before the utility's designee. If a hearing is requested by the customer, he or she shall be given full opportunity to be heard before termination. The governing body shall make findings of fact and decide whether service should continue or terminate.
- (c) Any customer whose water service is terminated for violating provisions of this water curtailment plan shall be subject to the approved reconnection fee prior to reconnection of service.

Section 9. Request for Exception.

- (a) Exception to water use restriction: If compliance with any curtailment measure authorized herein would cause a customer to bear extraordinary hardship, that individual or entity may apply to the Board of Directors of the Company for an exception. For these purposes, "extraordinary hardship" shall be defined as a condition which may threaten health and safety, or cause property or economic losses, each of which must be shown to be substantially more severe than the sacrifices borne by other users. If extraordinary hardship is found to exist, then an exception shall be granted and a written waiver issued to the customer. If an appeal is made, normal water service shall be continued until a decision is announced. Any customer aggrieved by the decision may file a complaint with the Public Service Commission.
- (b) No Exception to curtailment surcharge: Exceptions to excess use charges shall not be considered or granted.

Section 10. Severability. If any provision of this Plan is declared invalid by the courts, the remainder of the Plan and its applicability to other persons and circumstances shall not be affected by that declaration.

Section 11. Effective Date. This Plan shall take effect immediately upon approval of the Public Service Commission.

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
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JUL 30 1990
QUANT TO 837 KAR 50.1,
SECTION 9 (C)
George A. Sells
PUBLIC SERVICE COMMISSION MAJ